Saving Bank Accounts, Kisan Vikas Patras (KVPs), National Certificates (NSCs) and Indra Vikas Patras (IVPs), came to light during October, 1996 involving a sum of Rs. 67,66,000/-. The case was not detected by the CBI but by the Postal Staff. However, the case has subsequently been handed over to the CBI for further investigation.

(b) A case of misappropriation of NSC/KVP amounts at Belgaum H.O. Karnataka came to light on 6.9.1996 involving loss to the tune of Rs. 37,31,860/- committed by NSC Counter Assistant.

(c) (i) The investigations by the Department and CBI are in progress.

(ii) Two officials in the case mentioned at (a) above and 5 officials in the case mentioned at (b) above have been placed under suspension.

(iii) The Chief Postmaster General, Karnataka has issued instructions for tightening of supervision and inspections.

(iv) Suitable Instructions have also been issued to all the Chief Postmasters General stressing strict adherence to the prescribed checks as per departmental rules and also to tighten supervision and vigilance to avoid recurrence of such frauds.

Rampant Corruption in the Appointment of Home Guards in U.P.

*289. SHRI BRATIN SENGUPTA: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether it is a fact that persons working in Home Guards Department in the country are not made permanent even after serving for several years;

(b) whether there is rampant corruption in the appointment of Home Guards on pic-and-choose basis particularly in Uttar Pradesh;

(c) whether Government propose to conduct a thorough inquiry into the whole matter and regularise the services of the persons serving for more than 3 years; and

(d) if not, the reasons therefor?

THE MINISTER OF HOME AFFAIRS (SHRI INDRAJIT GUPTA): (a) Home Guards is a voluntary force. There is no provision for making their services permanent.

(b) No, Sir.

(c) and (d) Do not arise in view of the reply to parts (a) and (b) of the question.

Distribution network of CSD

*290. SHRI JAYANT KUMAR MALHOUTRA: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Canteen Stores Department through its distribution network has been selling products illegally manufactured by multi-national companies whereas these items are reseved for Small Scale Sector;

(b) if so, whether the Factory Registration of the multi-national company suppliers is checked to ascertain possession of valid licence to produce items supplied by them; and

(c) if not, whether it is not incumbent on the Ministry and its subordinate department to ensure that there is no violation of the law?

THE MINISTER OF DEFENCE (SHRI MULAYAM SINGH YADAV): (a) to (c) The Canteen Stores Department has been set up with the prime objective of providing household/consumer items at reasonable prices to the Defence Service Personnel posted throughout the country, including in far-flung and remote areas. To achieve this objective, CSD has to procure and sell items which are in demand from the troops. Denial to the troops of items which are available to the civil population results in dissatisfaction, and affects troop morale. It is for the Ministry/Department administratively concerned with the relevant industrial regulations to initiate action against companies or firms violating them.

Setting up free of cost Small Exchanges

*291. SHRI S. MUTHU MANI: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the Mahanagar Telephone Nigam Limited, Delhi has offered to set up

small exchanges free of cost at the premises of bulk consumers where existing telephone lines number more than 100; and

(b) whether such facility is being considered for Chennai?

THE MINISTER OF COMMUNICATIONS (SHRI BENI PRASAD VERMA): (a) There is no offer to set up Small Exchanges free of cost. However, Small departmental Exchanges of 250 lines called Remote Line Units have been installed in Delhi. More such units have been planned. Telephone connections are provided as per rental and tariff applicable.

(b) Similar Remote Line Units are being planned for Chennai also.

Setting up of Second States Reorganisation Commission

*292. SHRI O.P. KOHLI: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether the demand for new, smaller States is being raised once again in the country;

(b) whether there has been demand for setting up Second States Reorganisation Commission for division of larger States like Bihar, Uttar Pradesh, Madhya Pradesh and Rajasthan; and

(c) the policy proposed to be pursued by Government over this issue?

THE MINISTER OF HOME AFFAIRS (SHRI INDRAJIT GUPTA): (a) and (b) Although demands for statehood have been received from time to time, there is no specific demand for setting up a States Reorganisation Commission for division of larger States like Bihar, Uttar Pradesh, Madhya Pradesh and Rajasthan.

(c) The Government is committed to decentralisation and greater devolution of powers to the States, as a consequence of which the benefits of development are expected to percolate down much faster to hitherto underdeveloped regions of the country from where the demands for statehood are emanating.

Action taken under FERA against the Cotton traders

*293. SHRI SATISH PRADHAN: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that some traders have procured varieties of cotton from local market and sold it, in the international market at higher rate during 1995-96;

(b) if so, the quantity involved therein;

(c) whether the contracts were sent for action to Government by the Textile Commissioner of Mumbai for over invoicing; and

(d) the action taken under FERA by Government?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (d) The prices of cotton in the international market have generally tended to be higher than the domestic cotton prices. As per policy, quota for Bengal Deshi Cotton, Staple cotton, soft waste and hard waste is allotted to traders on high price basis by the Textile Commissioner, if the applications received for higher quantity than the quantity actually available under the quota. This is with a view to maximising foreign exchange realisation.

In 1995-96, the Textile Commissioner had noted some cases where there was suspicion of alleged over-invoicing, and had referred the matter to the Enforcement Directorate for appropriate action.

Long-term programme for development of Major Ports

*294. SHRIMATI JAYANTI PATNAIK: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether Government have drawn up any long term programme for the development of major ports;

(b) if so, the duration of this long-term programme;

(c) the outlay fixed for the development of ports under the long-term programme;

(d) the broad objectives for development of ports during the 8th Five Year Plan;